

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Application By Verizon For)	
Authorization Under Section 271 of the)	WC Docket No. 02-157
Telecommunications Act of 1996 to Provide)	
In-Region, InterLATA Services in Delaware)	
And New Hampshire)	

COMMENTS OF THE ALLIANCE FOR PUBLIC TECHNOLOGY

The Alliance for Public Technology has consistently urged the Federal Communications Commission (FCC) to pursue the goal of Section 706 of the Telecommunications Act of 1996¹ in every relevant proceeding by encouraging the reasonable and timely deployment of advanced telecommunications capability to all Americans.² Section 706 authorizes the FCC and state telecommunications commissions to use "measures that promote competition in the local telecommunications market or other regulating methods to remove barriers to infrastructure investment," among other means, to achieve the goal of ubiquitous broadband deployment mandated by the Act.

The Alliance for Public Technology (APT) is a nonprofit organization of public interest groups and individuals. APT's members work together to foster broad access to affordable, usable information and communications services and technology for the purpose of bringing better and more affordable health care to all citizens, expanding educational opportunities for

¹ 47 USC 157 note.

² See, e.g., Petition of the Alliance for Public Technology Requesting Issuance of Notice of Inquiry and Notice of Proposed Rulemaking to Implement section 706 of the 1996 Telecommunications Act, CC Docket No. 9244 (Feb. 18, 1998) (APT Petition) at 12-13.

lifelong learning, enabling people with disabilities to function in ways they otherwise could not, creating opportunities for jobs and economic advancement, making government more responsive to all citizens and simplifying access to communications technology. To this end, it is APT's goal to:

make available as far as possible, to all people of the United States, regardless of race, color, national origin, income, residence in rural or urban area, or disability high capacity two-way communications networks capable of enabling users to originate and receive affordable and accessible high quality voice, data, graphics, video and other types of telecommunications services.³

As we have previously stated, the Alliance is not in a position to judge the compliance of any one company with respect to the 14-point checklist of requirements under Section 271, and thus relies upon the expertise of state regulators. We note that the New Hampshire Public Utilities Commission (PUC) and the Delaware Service Commission (PSC) have approved Verizon's applications and concluded that the company is in compliance with the checklist items in Section 271. According to the Delaware PSC, Verizon had agreements with 37 different CLEC's.⁴ The hearing examiner's report from Delaware stated "Verizon-DE's overall compliance with the checklist items. . .provide a strong indicator that markets are open for entry."⁵ In New Hampshire, there are 35 CLEC's in operation and the New Hampshire PUC

³ Alliance For Public Technology, *Principles to Implement the Goal of Advanced Service* at 3 (1995).

⁴ Delaware Public Service Commission "Approved Local Exchange Carriers Providing Service", 2/6/02 <http://www.state.de.us/delpsc/major/major.html#loccur>

⁵ Delaware Public Service Commission, "Findings and Recommendations of the Hearing Officer" PSC Docket No. 02-001, February 1, 2002

indicated that “Verizon’s request to participate in the interstate market would be in the public interest.”⁶

In New Hampshire, Verizon has put in place a Performance Assurance Plan (PAP) that puts 36% of its net revenue (\$39.7 million) at risk annually for non compliance.⁷ In Delaware, the PAP is based on the New York plan, already approved by the FCC. These self-executing plans prevent against backsliding.

More importantly, Verizon has demonstrated a commitment to increased investment in advanced telecommunications capabilities. According to the company, Verizon invested more than \$145 million in its New Hampshire network in 2001 and added more than 15,000 miles of fiber optic cable, bringing the total in the state to 170,000 miles. All 126 switching centers in New Hampshire use digital technology.⁸ In Delaware, Verizon invested more than \$84 million in 2001. It added more than 18,000 miles of fiber optic cable in Delaware now has a total of 116,000 miles in the state.⁹ Authorization to provide in-region long distance service in Delaware and New Hampshire will facilitate Verizon’s capacity to build on economies of scale and scope in order to provide a high standard of service and accelerated deployment of advanced technologies to the consumers of Delaware and New Hampshire.

In APT’s view, Section 271's interLATA prohibitions constrain the widespread deployment of advanced telecommunications infrastructure and therefore undermine Section 706, which seeks to promote investment in ubiquitous high-speed networks. APT maintains the

⁶ New Hampshire Public Utilities Commission Press Release, March 1, 2002
<http://www.puc.state.nh.us/prtel030102.PDF>

⁷ New Hampshire Public Utilities Commission, Order Regarding Metrics and Plan, Order No. 23, 940, DT 01-006, March 29, 2002

⁸ Verizon Press Release, “Verizon Investment in New Hampshire Communications Network Tops \$145 Million This Year.” December 20, 2001, <http://newscenter.verizon.com/proactive/newsroom/release.vtml=68074>

⁹ Verizon Press Release, “Verizon’s 2001 Network Investment Strengthens First State Infrastructure” December 26, 2001 <http://newscenter.verizon.com/proactive/newsroom/release.vtml?id=68294>

belief that expeditious approval under Section 271 serves the public interest. Such action would advance the goals of Section 706, and reaffirm the Commission's commitment to eliminating regulatory barriers to investment in high-capacity networks.¹⁰

The Commission again has the opportunity to bolster Section 706's impact by authorizing Verizon to provide long distance telephone service in Delaware and New Hampshire. APT strongly urges the Commission to seize this opportunity to increase facilities-based competition for local and long distance service, and promote ubiquitous broadband network deployment so that Delaware and New Hampshire residents, regardless of their income level, location of residence, or physical disabilities, may improve the quality of their lives through access to new sophisticated telecommunications.

APT has every reason to believe that Delaware and New Hampshire customers, particularly low volume users, will reap the same gains from lower prices and bundled services that New York, Massachusetts, Pennsylvania, Connecticut, New Jersey, Rhode Island, Vermont, Maine, Texas, Missouri, Arkansas, Kansas, Oklahoma, Georgia and Louisiana, residents are experiencing with RBOC entry into those long distance markets. According to Telecommunications Research and Action Center (TRAC) studies, consumers in Delaware could save between \$8 million and \$34 million one year after Verizon's entry in the long distance market.¹¹ New Hampshire consumers could up to \$71 million.¹² In anticipation of and in

¹⁰ Comments of the Alliance for Public Technology Supporting Bell Atlantic's Request for Authority to Provide Long Distance Service in New York, In the Matter of Application by New York Telephone Company (d/b/a Bell Atlantic-New York) Bell Atlantic Communications, Inc., NYNEX Long Distance Company and Bell Atlantic Global Networks, Inc., for Authorization to Provide In-Region , InterLATA Services in New York, CC Docket No. 99-295 (Oct. 19, 1999))(APT NY Comments) at 2.

¹¹ See Telecommunications Research & Action Center, Projecting Residential Savings in Delaware's Telephone Market, February 28, 2002.

¹² See Telecommunications Research and Action Center, Projecting Residential Savings in New Hampshire's Telephone Market, January 30, 2002.

response to SBC's entry into the Texas, Kansas and Oklahoma long-distance markets, incumbent long-distance carriers AT&T, WorldCom, and Sprint began to offer discounts on their regular long-distance plans to customers who also signed up for local service. These discounts are in the form of bundled long-distance monthly fees with local service charges and credits for signing up for a local/long-distance bundle.¹³ As BellSouth prepared to enter the Georgia long distance market, AT&T unveiled a bundled package of local and long distance services starting at \$29.95 per month.¹⁴ These actions demonstrate tangible benefits for consumers result from an increased number of competitors in the long distance market.

As Verizon deploys its broadband networks, APT encourages the Commission to do all that it can to remove the barriers that inhibit the widest possible extension of these networks. Universal deployment will help all consumers, in Delaware, New Hampshire and throughout the United States, to enjoy the benefits of advanced telecommunications capability.

APT respectfully recommends that the Commission authorize Verizon to provide long distance service in Delaware and New Hampshire.

¹³ AT&T bundles residential local and long-distance service with a plan called "AT&T Local One Rate Texas." See <http://www.att.com/local_service/tx/html/index.html> (visited Oct. 9, 2000); see also J.G. Smith/Johnson Joint Aff. ¶ 43 (AT&T offers this local one rate only in Texas and New York, the two "states in which the incumbent Bell Operating Company has been given access to AT&T's long distance marketplace"). New York was the first state, followed by Texas, where MCI WorldCom started offering its bundled local and long-distance service referred to as "One Company Advantage." See David DeKok, Competitor Calls on Verizon's Mid-State Clients, Harrisburg Patriot-News, Sept. 14, 2000; Bill Sulon, Telephone Companies Prepare for Battle, Harrisburg Patriot-News, Aug. 27, 2000; see J.G. Smith/Johnson Joint Aff. ¶ 46. And Sprint currently bundles residential local and long-distance service for Texans in five different configurations. See Sprint Local Service – Texas, available at <<https://clec.sprint.com/servlet?CLEC?PAGE+TOCOMPARE&MKT=0003?>> (visited Oct. 9, 2000); see J.G. Smith/Johnson Joint Aff. ¶ 45.

¹⁴ "AT&T Offers Georgians a New Choice for Local Phone Service" See <http://www.att.com/news/item/0,1847,4233,00.html>

Respectfully requested,

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